



Major Economic News

- Credit facilities extended to MSMEs increased by 16.0% Y/Y to SAR 218.7bn in Q1-22 from SAR 188.4bn in Q1-21, as per SAMA. The banking sector accounted for SAR 203.4bn or 93.0% of total credit whereas financing institutions provided SAR 15.3 bn or 7.0% of credit. (Source: Argaam)
- According to the Ministry of Hajj, more than 690,000 pilgrims registered online and through Eatmarna application. The ministry reviews prices of Hajj services provided by companies and provides slight discount to the pilgrims. (Source: Argaam)

Major Corporate News

- The board of directors of Saudi Telecom Company recommended increase in company's capital by 150.0% through issue of bonus shares by capitalizing SAR 30.0bn of retained earnings. (Source: Argaam)
- Taiba Investments Company announced signing a sale and purchase agreement to purchase a commercial center in Riyadh for total amount of SAR 220.0mn. The transaction aims at enhancing company's investments by purchasing revenue generating assets and the financial impact is expected in Q2-22. (Source: Argaam)
- Alkhorayef Water and Power Technologies Co. signed a contract for a total value of SAR 1.9bn for four water quality improvement projects in the Eastern province. The project includes design and construction of strategic transmission lines and distribution networks, pumping stations and strategic reservoirs. (Source: Argaam)
- ACWA Power started operations at Phase 1 of Abu Dhabi's Al Taweelah IWP which has a capacity of 454,600 cubic meters per day of desalinated water. The financial impact is expected to be seen in Q2-22. (Source: Argaam)

Market Analysis

- The Saudi Stock Exchange increased 0.1% to 12,603.9 on Thursday. The value traded stood at SAR 5.6bn (down 0.2% over previous day), while the advance-decline ratio stood at 73/130. The parallel market index increased 0.2% to 22,240.8 points. The value traded stood at SAR 18.6mn (down 26.3% over previous day). Most sectors in the main market ended in the red. Media and Utilities (up 1.8% each) advanced the most; Capital Goods and Pharma & Bio Tech (down 2.8% each) led the laggards.

Top Gainers

Company	Price	Change%
PETRO RABIGH	20.80	9.9
ALRAJHI TAKAFUL	88.40	6.1
ALHAMMADI	56.50	5.0
TALEEM REIT	12.60	3.8
ACWA POWER	150.00	3.5

Top Losers

Company	Price	Change%
SIECO	90.20	-10.0
ANAAM HOLDING	33.60	-4.3
AYYAN	20.02	-3.8
SEDCO CAPITAL REIT	10.22	-3.6
SAUDI CERAMICS	49.00	-3.4

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	12,604	12,613	12,497	0.1	11.7
NomuC	22,241	22,280	21,955	0.2	-14.4

TASI movement during session



TASI Ratios

P/E* (x)	21.4
Price-to-Book (x)	2.5
Dividend Yield (%)	2.1
Return on Equity (%)	24.6

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,792	-0.3	23.2	18.6
Materials	7,691	-0.1	4.7	14.9
Capital Goods	7,307	-2.8	-3.2	24.6
Commercial Service	3,964	-0.3	-10.8	High
Transportation	5,014	-0.8	-4.2	Neg
Consumer Durables	5,149	-0.6	-18.9	Neg
Consumer Services	4,478	-0.2	-3.5	High
Media	27,799	1.8	19.5	34.7
Retailing	8,121	-0.2	-17.5	28.8
Food & Staples	9,391	1.0	3.0	28.8
Food & Beverages	5,263	0.1	8.8	High
Healthcare	8,961	0.4	22.5	43.9
Pharma & Bio Tech	4,354	-2.8	-16.1	High
Banks	14,239	0.3	16.5	22.6
Diversified Financial	8,353	1.2	22.3	9.3
Insurance	5,672	0.0	-5.3	High
Telecom	7,068	0.0	-2.9	19.2
Utilities	7,220	1.8	21.7	14.3
REITs	4,351	-0.8	-5.6	High
Real Estate	3,364	-0.9	6.1	High
Software & Services	33,948	0.3	18.5	33.3

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
12,668	12,723	12,656	6.06

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	29	767.3	1,613.20

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	40.40	-0.5
Al Rajhi	94.20	0.2
SNB	71.40	0.7
SABIC	113.00	0.2
STC	100.40	-0.2



Regional and International Markets

- Among other regional markets, Dubai increased 0.1%, while Abu Dhabi decreased 0.2%. Qatar and Oman increased 1.0% and 0.1%, respectively; while Kuwait declined 0.5%. Meanwhile, Bahrain and Egypt closed flat.
- According to Baker Hughes, North America's rig count increased to 874 in the week ended June 10, from 844 in week earlier. The rig count increased to 733 in the US from 727 earlier but decreased to 14 from 15 in the Gulf of Mexico. The rig count in Canada increased to 141 from 117 a week earlier. (Source: Baker Hughes)
- US CPI surged to 8.6% Y/Y in May from 8.3% Y/Y in April. Consumer prices rose by 1.0% M/M in May (consensus: rise of 0.7% M/M) after rising 0.3% M/M in April. The monthly rise was due to rebound in energy prices which jumped 3.9% in May after falling 2.7% in April. (Source: RTT news)
- US initial jobless claims increased to 229,000 (consensus: 210,000) in the week ended June 4, representing a rise of 27,000 from the previous week's revised level of 202,000. (Source: RTT news)
- Oil prices plunged 0.9% on Friday, as US consumer prices increased more than expected and China imposed new lockdown measures.
- Gold prices increased 1.3%, on account of higher US inflation that reduced investor's risk appetite.

Forex / Currency

Currency	Close	Daily Change%	MTD %	YTD %
Dollar Index	104.15	0.9	2.4	8.9
Euro	1.05	-0.9	-2.0	-7.5
Japanese Yen	134.41	0.0	4.5	16.8
Sterling Pound	1.23	-1.4	-2.3	-9.0
Chinese Yuan	6.73	0.4	0.8	5.9
Indian Rupee	77.84	0.1	0.3	4.7
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.66	-0.0	-0.1	-0.3
Kuwaiti Dinar	0.31	0.1	0.2	1.4
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	-0.0	-0.0	-0.0
Egyptian Pound	18.71	0.0	0.7	19.0

Corporate Calendar

Date	Company	Event
12 th Jun	GACO	OGM
12 th Jun	BSFR	EGM
12 th Jun	SINAD HOLDING	OGM
12 th Jun	Dallah Health	OGM
12 th Jun	Almunajem Foods	Cash Dividend Distribution
13 th Jun	Nama Chemicals	OGM

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,377	0.1	0.9	5.7	11.5
Abu Dhabi (ADX)	9,628	-0.2	-4.2	13.4	20.8
Kuwait (KSE)	5,909	-0.5	-2.7	0.4	9.3
Qatar (QE)	13,099	1.0	1.4	12.7	15.4
Oman (MSM)	4,135	0.1	0.5	0.1	10.8
Bahrain (BSE)	1,883	0.0	-2.0	4.8	7.3
Egypt (EGX30)	10,235	0.0	0.8	-14.3	5.5

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	31,393	-2.7	-4.8	-13.6	16.9
Nasdaq	11,833	-3.6	-6.4	-27.5	24.8
S&P 500	3,901	-2.9	-5.6	-18.2	19.5
FTSE 100	7,318	-2.1	-3.8	-0.9	16.8
Germany DAX 30	13,762	-3.1	-4.4	-13.4	12.4
France CAC 40	6,187	-2.7	-4.4	-13.5	14.0
Japan Nikkei 225	27,824	-1.5	2.0	-3.4	19.8
Russia MOEX	2,286	-0.4	-3.0	-39.7	3.8
Hong Kong Hang Seng	21,806	-0.3	1.8	-6.8	7.9
South Korea KOSPI	2,596	-1.1	-3.4	-12.8	11.1
China Shanghai Composite	3,285	1.4	3.1	-9.8	13.3
Australia ASX 200	6,932	-1.3	-3.9	-6.9	16.1
India Sensex	54,303	-1.8	-2.3	-6.8	22.0
MSCI EM	1,055	-1.2	-2.1	-14.4	11.3
MSCI World	2,642	-2.9	-5.4	-18.3	17.3

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	119.52	-1.4	3.8	55.3
Brent Crude (\$/bbl)	122.01	-0.9	-0.7	56.9
Texas crude (\$/bbl)	120.67	-0.7	5.2	60.4
Natural Gas (\$/mmbtu)	8.85	-1.3	8.7	151.1
Gold (\$/oz)	1,871.60	1.3	1.9	2.3
Silver (\$/oz)	21.89	0.9	1.6	-6.1
Steel (\$/ton)	1,160.00	0.9	-2.5	-19.2
Iron Ore (CNY/MT)	992.00	0.0	3.9	45.0
Wheat (\$/bu)	1,084.75	0.0	-0.3	41.9
Corn (\$/bu)	720.50	0.5	-4.4	21.4
Sugar (\$/lb)	19.07	-2.3	-1.7	3.7
SMP* (EUR/MT)	4,128.00	0.9	1.9	22.7

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
USD LIBOR	1.69	0.0	0.1	1.5
Saudi Arabia (SAIBOR)	3.17	0.1	0.1	2.3
UAE (EIBOR)	1.71	0.1	0.0	1.3
Kuwait (KSE)	1.94	0.1	0.1	0.4
Bahrain (BHIBOR)	2.80	0.0	0.1	1.3

Data Sources: Tadawul, Bloomberg, Reuters

* Three-month Interbank rate **NA: Not Available

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RESEARCH
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RATING
TERMINOLOGY

1. **Overweight:** This rating implies that the stock is currently trading at a discount to its 12 months price target. Stocks rated "Overweight" will typically provide an upside potential of over 10% from the current price levels over next twelve months.
2. **Underweight:** This rating implies that the stock is currently trading at a premium to its 12 months price target. Stocks rated "Underweight" would typically decline by over 10% from the current price levels over next twelve months.
3. **Neutral:** The rating implies that the stock is trading in the proximate range of its 12 months price target. Stocks rated "Neutral" is expected to stagnate within +/- 10% range from the current price levels over next twelve months.
4. **Suspension of rating or rating on hold (SR/RH):** This basically implies suspension of a rating pending further analysis of a material change in the fundamentals of the company.

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